

CHAPTER 57-47

COUNTY DEFICIENCY LEVY

57-47-01. Bank of North Dakota and banking associations may lend money to counties - Levy of general tax in county. Repealed by S.L. 1993, ch. 574, § 4.

57-47-02. County authorized to borrow - Term - Interest rate. Whenever in the judgment of the board of county commissioners all taxes authorized to be levied in any one year for general or special county purposes are insufficient to carry on the primary governmental functions, or to pay the mandatory obligations imposed by law upon a county, then such a county may borrow money in such an amount as the board shall determine to be necessary to meet the deficiencies existing in its general or special funds, or to carry on primary governmental functions, and to pay mandatory obligations. For the purpose of borrowing, a county may issue evidences of indebtedness, which must consist of an agreement by the county to pay a stated sum on a specified date, or on or before a specified date, not more than five years in the future, together with interest thereon at a rate or rates resulting in an average annual net interest cost not to exceed twelve percent per annum if sold privately, or with no interest rate ceiling if sold at a public sale or to the state of North Dakota or any of its agencies or instrumentalities. A public sale must comply with the procedures set out in chapter 21-03. There is no requirement for an advertisement for bids if an evidence of indebtedness is sold privately or to the state of North Dakota or any of its agencies or instrumentalities.

57-47-03. Application for loan - Contents. Whenever the board of county commissioners desires to issue evidences of indebtedness for any of the purposes authorized in this chapter, it shall provide information to prospective purchasers, including the assessed valuation of the county, the amount of taxes levied for the current year or years involved, the status of its general and special funds, and the amount required to carry on its primary governmental functions and to pay its mandatory obligations, and such other data as the purchaser may require.

57-47-04. Levy of tax to repay loan - Limitation. Upon the issuance of the evidence of indebtedness, the board of county commissioners shall levy a general tax from year to year upon all of the general taxable property of the county, not exceeding the limitation in subsection 27 of section 57-15-06.7, for the purpose of providing funds sufficient to repay the amount of the loan, with interest, at the time of maturity. The tax may not exceed three mills for any one year regardless of the number of loans outstanding under this chapter.

57-47-05. County loan fund established. The board of county commissioners authorizing the levying of such tax shall establish a special fund in the county treasury designated as the county loan fund and all moneys collected from the general tax levied for the purpose of repaying any loans, with interest, must be deposited to the credit of said special fund and may be used only for the purpose of repaying the principal, with accrued interest, due upon loans made by the county as the same matures. The balance, if any, remaining in said special fund, after the amount of the loan, with accrued interest, has been paid in full, may be transferred by the county commissioners to the general fund of the county.